

**103C.501 COST-SHARING CONSERVATION CONTRACTS FOR EROSION CONTROL AND WATER MANAGEMENT.**

Subdivision 1. **Cost-share authorization.** The state board may allocate available funds to districts to share the cost of systems or practices for erosion or sedimentation control or water quality improvement that are designed to protect and improve soil and water resources.

Subd. 2. **Request by district board.** A district board requesting funds of the state board must submit an application in a form prescribed by the board containing:

- (1) a comprehensive plan;
- (2) an annual work plan; and
- (3) an application for cost-sharing funds.

Subd. 3. **Approving application.** If the state board approves the comprehensive plan, including the plan's most recent amendment, the annual work plan, and the application of the district, the state board shall determine the specific amount of funds to allocate to the district for cost-sharing contracts.

Subd. 4. **Cost-sharing funds.** (a) The state board shall allocate cost-sharing funds to areas with high priority erosion, sedimentation, or water quality problems or water quantity problems due to altered hydrology. The areas must be selected based on priorities established by the state board.

(b) The allocated funds must be used for conservation practices for high priority problems identified in the comprehensive and annual work plans of the districts, for the technical assistance portion of the grant funds to leverage federal or other nonstate funds, or to address high-priority needs identified in local water management plans or comprehensive watershed management plans.

Subd. 5. **Contracts by districts.** (a) A district board may contract on a cost-share basis to furnish financial aid to a land occupier or to a state agency for permanent systems for erosion or sedimentation control or water quality or water quantity improvements that are consistent with the district's comprehensive and annual work plans.

(b) A district board, with approval from the state board and consistent with state board rules and policies, may contract on a cost-share basis to furnish financial aid to a land occupier for nonstructural land management practices that are part of a planned erosion control or water quality improvement plan.

(c) The duration of the contract must, at a minimum, be the time required to complete the planned systems. A contract must specify that the land occupier is liable for monetary damages and penalties in an amount up to 150 percent of the financial assistance received from the district, for failure to complete the systems or practices in a timely manner or maintain the systems or practices as specified in the contract.

(d) A contract may provide for cooperation or funding with federal agencies. A land occupier or state agency may provide the cost-sharing portion of the contract through services in kind.

(e) The state board or the district board may not furnish any financial aid for practices designed only to increase land productivity.

(f) When a district board determines that long-term maintenance of a system or practice is desirable, the board may require that maintenance be made a covenant upon the land for the effective life of the practice. A covenant under this subdivision shall be construed in the same manner as a conservation restriction under section 84.65.

Subd. 6. **Policies and rules.** (a) The state board may adopt rules and shall adopt policies prescribing:

(1) procedures and criteria for allocating funds for cost-sharing contracts;

(2) standards and guidelines for cost-sharing contracts;

(3) the scope and content of district comprehensive plans, plan amendments, and annual work plans;

(4) standards and methods necessary to plan and implement a priority cost-sharing program, including guidelines to identify high priority erosion, sedimentation, and water quality problems and water quantity problems due to altered hydrology;

(5) the share of the cost of conservation practices to be paid from cost-sharing funds; and

(6) requirements for districts to document their efforts to identify and contact land occupiers with high priority problems.

(b) The rules may provide that cost-sharing may be used for windbreaks and shelterbelts for the purposes of energy conservation and snow protection.

**History:** 1990 c 391 art 3 s 23; 1997 c 216 s 91; 2006 c 251 s 1; 2009 c 176 art 1 s 27-30; 2013 c 143 art 4 s 4; 1Sp2015 c 2 art 2 s 15